

# *Treasurer's Report*

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The Town ended 2005 with cash balances of approximately \$3.3 million, a decrease of approximately \$600,000 from the prior year. The decrease is the result of the substantial completion in 2005 of the capital road project, the Old Town Meetinghouse restoration and the Townwide revaluation. The monies for these projects had been borrowed in the fourth quarter of 2004 and were therefore on hand at December 31, 2004.

Our outstanding borrowings decreased by \$415,800 consistent with the repayment schedules.

The Town's General Fund was \$3,493,511 at the end of 2005 having increased by \$286,739 over the prior year. Of this, \$538,714 is designated for ongoing projects, leaving an undesignated fund balance of \$2,954,797.

The Town's General Fund balance was used during the year to fund expenditures until such time as 2005 real and personal property taxes were received. To supplement these funds, the Town established a line of credit in the amount of \$3,750,000 against which periodic draws were made. The interest rate on this line was 2.79%. The maximum outstanding short-term borrowing was 2.6 million and the interest cost for the year was \$19,958. Interest earned on the General Fund totaled \$49,833.

In July, the Town requested proposals for depository banking services from financial institutions. TDBanknorth (formerly People's Heritage Bank) had been the Town's depository bank for 7 years and we wanted to determine if our arrangements with them remained competitive. We received 7 proposals and Selectman Weil, the Town Administrator and I met with representatives of all responding institutions. After careful review of the proposals, the Selectmen voted to continue the Town's relationship with TDBanknorth. This decision assures that we will incur no fee increase over the term of our arrangement.



*Marguerite Kelly*  
*Treasurer*

**Town of Harpswell  
Treasurer's Report of Bank Balances  
December 31, 2005**

<b>Bank Balances, beginning of period</b>		<b>\$4,061,221.34</b>
Deposits:		
Tax collector receipts:		
Property taxes	\$9,355,661.42	
Other receipts	\$1,453,182.04	
Other Town receipts	\$497,751.70	
Receipts from State of Maine	\$387,419.95	
Other Governmental Receipts	\$2,102.00	
Interest Earned	\$47,271.71	
TAN Borrowings	\$2,600,000.00	
	<b>Total Deposits</b>	<b>\$14,343,388.82</b>
Payments:		
MSAD #75	\$6,714,259.62	
Cumberland County Tax	\$739,377.00	
Town Meeting Warrant:		
Recurring items	\$4,222,808.15	
Non-recurring items	\$766,244.60	
TAN Repayments, incl. interest of \$19,958	\$2,619,958.00	
	<b>Total payments</b>	<b>\$15,062,647.37</b>
Other (NSF checks, bank corrections)		<b>(\$1,667.07)</b>
<b>Bank Balances, end of period</b>		<b>\$3,340,295.72</b>